



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: JT Construction Co., Inc.

File: B-257882

Date: July 25, 1994

DECISION

JT Construction Co., Inc. protests the award of a contract to Paramount Contracting Company under solicitation No. DACA56-94-B-0009 issued by the Department of the Army.

We dismiss the protest because our Office generally has no jurisdiction to review the Small Business Administration's (SBA) stewardship of the small disadvantaged business contracting program.

Section 8(a) of the Small Business Act, 15 U.S.C. § 637(a) (1988 and Supp. V 1993), authorizes the SBA to enter into contracts with government agencies and to arrange for the performance of such contracts by letting subcontracts to socially and economically disadvantaged small business concerns. Because of the broad discretion afforded the SBA and the contracting agencies under the applicable statute and regulations, our review of actions under the Section 8(a) program generally is limited to determining whether government officials have violated regulations or engaged in fraud or bad faith. See 4 C.F.R. § 21.3(m)(4); Lecher Constr. Co.--Request for Recon., B-237964.2, Jan. 29, 1990, 90-1 CPD ¶ 127. To show bad faith, the protester must present undeniable proof that the procuring agency had a malicious and specific intent to injure the protester. Ernie Green Indus., Inc., B-224347, Aug. 11, 1986, 86-2 CPD ¶ 178. Although the protester alleges both bad faith and regulatory violations by the SBA, it has not shown the reasonable likelihood of either a violation of regulations or fraud or bad faith under the circumstances here.

The protest is dismissed.

Ronald Berger
Associate General Counsel